Saskatchewan Agriculture and Food

Farm & Food Report

Communications Branch, Walter Scott Building
3085 Albert Street, Regina, Canada, S4S 0B1

Saskatchewan

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CANOLA CRUSHING PLANTS THE TIP OF THE ICEBERG

The past-president of the Saskatchewan Canola Growers Association says the recent announcement of two canola crushing plants being constructed in Saskatchewan is a boon to both the canola industry and the future of biodiesel in Canada.

Brad Hanmer greeted the news that James Richardson International (JRI) and Louis Dreyfus plan to build crushing plants in Yorkton with something just short of jubilation.

"I am just absolutely delighted that this is happening," he said. "To see this kind of investment in our industry and in Saskatchewan and, more importantly, in a crop that I believe is the future for us here on the farm – I'm just ecstatic."

The two plants combined will have the ability to crush over 1.5 million tonnes of canola per year; something Hanmer says will help boost canola prices.

"We grow around seven million metric tonnes of canola a year. These plants are going to take a huge chunk out of that. Right now, we crush half and export half of the canola we grow. Having this kind of crush capacity on line will change that," said Hanmer.

"Once you put bricks and mortar in the ground, you have to keep these plants full. So we are going to see some appreciation of prices at a local level just on that front alone."

Hanmer says market factors beyond Saskatchewan's borders are driving demand, as American and European demand for biodiesel adds to existing demand for canola oil within the food industry.

"The world is absolutely hungry for vegetable oil," he stated. "Biodiesel is playing a huge role in that, but also the healthy aspects of canola oil are really starting to take hold."

Biodiesel is where Hanmer's infectious enthusiasm for the future of canola really starts to kick in.

"We in Canada have a window of opportunity that is narrowing, and that's for us to have a biodiesel industry here. We need to catch up to the rest of the world to put a renewable fuel strategy in place, like the Americans, like Europe," he said.

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"Every other major agricultural jurisdiction in the world has got a plan in place to integrate biodiesel and ethanol into the fuel system. We don't here in Canada yet."

Hanmer is encouraged by the new possibilities the increased crushing capacity will bring to the province, and more specifically to canola producers.

"We've got a bright, bright future here to be the world's leader in canola processing technology, as well as the hub of the canola industry for the world," he stated. "This announcement in Yorkton is absolutely fantastic, but it is the tip of the iceberg for reinventing our vision for agriculture. I can't tell you how exciting it is to be a part of that right now."

Winnipeg-based JRI says construction of its plant will be completed by mid-2008. Construction on the Louis Dreyfus plant will begin this month, and it is also expected to be operational in 2008.

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BANNER YEAR FOR BEEKEEPERS

It's shaping up to be a sweet year for Saskatchewan's beekeepers.

The harvest is now wrapping up on what has been a good year for both honey production and price.

Tim Wendell, the President of the Saskatchewan Beekeepers Association, said most producers are pleased with the honey crop this year.

"I think the year went pretty well," Wendell said. "We had an early spring for a change. We had pollen coming in early April and the bees went full speed ahead pretty much since then. It's been a pretty good year all in all."

Wendell indicated that Saskatchewan has over 130 commercial beekeepers (beekeepers with more than 300 colonies) and another 1,000 beekeepers who are "hobbyists."

That adds up to a lot of honey.

While Wendell did not have figures for Saskatchewan, he said that Canadian beekeepers produce between 70 to 75 million pounds of the sweet stuff annually. Of that total, 50 to 55 million pounds are consumed domestically, and the balance is exported.

Increased production is just one aspect of a banner year for beekeepers. Price is the other component, and Wendell said things are looking good there, too.

"It's inching up a little bit. Producers are fairly optimistic there are a number of things that are pointing to an increase in price, including a shortage of crop in some of the places in the U.S. and some of the other things happening around the globe," explained Wendell.

For example, yields are down in Argentina and China, the latter being a key competitor.
Wendell said honey from China has cut into Canada's domestic market in the past, sometimes by being blended with more expensive, higher quality Canadian honey.

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"It's a bit of disservice to the industry when a packer has built a reputation on Canadian honey, and then starts substituting cheaper foreign honey and selling it on the reputation that he's built with Canadian honey," he stated. "It's a disservice to producers, and I think it's really a disservice to the consumer."

However, Wendell is optimistic that an even better year is on the way.

"I think most beekeepers in Saskatchewan are happy with the way the year has gone," he said. "I hope we go into the winter with our colonies strong and disease-free, and next year gives us another good year, and the price continues to move in a positive direction."

You can learn more about the beekeeping industry in Saskatchewan at www.saskatchewanbeekeepers.ca.

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AGRICULTURE KNOWLEDGE CENTRE PREPARES FOR BUSY SEASON

As producers wrap up harvest and get ready to ease up the pace, the province's Agriculture Knowledge Centre (AKC) is actually preparing for the pace to pick up.

The AKC, located in Moose Jaw, is often the first point of contact with Saskatchewan Agriculture and Food for farmers with technical or general inquiries.

The centre is staffed with resource agents and specialists knowledgeable about the farm industry and able to provide information and technical assistance on a broad range of agricultural topics. There are specialists in beef cattle management, ruminant nutrition, grazing and forage management, soil and nutrient management, crop and pest management and production economics.

Rick Bjorge, the AKC manager, says call volume is actually likely to increase after harvest.

"Normally during the harvest season, the call volumes are lower, and then when freeze-up and snow comes, we get more and more questions about the year ahead," he said.

"We get more questions about decisions that producers have to make about the year ahead – the profitability of certain enterprises and certain things they would consider doing differently in the year ahead – so that kind of all kicks in once winter starts. Livestock feeding and nutrition calls also increase as winter approaches."

The AKC handles about 17,000 calls a year, although Bjorge predicts that number will continue to rise.

"Based on our feedback, we know that we are getting first-time callers all the time who weren't previously aware of the services that we have to offer," he noted. "We think that we have a good service to offer. We have talented and knowledgeable people, and the more we can get that message out—that this is a good place to call for agriculture information—the more our numbers will continue to grow."

The AKC was established when the province's network of 31 Rural Service Centres was consolidated into nine regional offices in 2004. As with any change, there were those who were concerned about the impact of that transition. However, the experience of the past two years has changed more than a few minds.

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Adair Ramsell runs a cow/calf operation near Paradise Hill in the northwest part of the province. He admits he was initially a skeptic, but says he's now a believer.

"My experiences have been good," said Ramsell. "I've used [the Rural Service Centres] for years and years, and I was pretty much against it when they started [the Agriculture Knowledge Centre]. I thought I was going to lose contact with the experts I need. That proved not to be the case."

Ramsell says it's the quality and speed of the advice that makes him appreciate the service.

"They are always there and I always get to speak to the people who have that information right on the tip of their tongue," he said.

"This morning I called them because I needed a water test on my well, and I was under the impression that there was a place in Lloydminster that I could ship the sample to rather than sending it all the way to Regina. Sure enough, there was, and they were able to get me the address right away."

Back at the AKC, Bjorge says this past year saw the number of calls vary considerably, with a peak number of inquiries in July.

"Depending on what issues there are, the calls can be higher or lower on any given day," he explained. "For this summer, the top number of calls was around 130 a day. I think that was right around the time of the Bertha armyworm outbreak, and in amongst that time there were also anthrax concerns, as well."

Bjorge says some people may not know that the AKC is open over the noon hour, or that the service is also available via e-mail.

"That could be quite convenient for people in off-hours when we are closed. Send us an e-mail and we'll get back to you the next day," he noted.

The e-mail address for the AKC is aginfo@agr.gov.sk.ca. The toll-free number for the centre is 1-866-457-2377.

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TURNING WASTE INTO POWER

The Prairie Agricultural Machinery Institute (PAMI) may be offering us a glimpse into our energy future.

An anaerobic biodigester system researched and developed at PAMI's facilities in Humboldt has the potential to turn common waste into heat and electricity, with loads of potential for application here in Saskatchewan and around the globe.

The system is essentially a set of tanks, boilers and specialized equipment that creates a controlled environment to enhance a natural phenomenon: the decomposition of organic material by bacteria, which produces biogas in the process.

According to Patricia Lung, PAMI's Project Leader for Energy and Processing, this biogas contains a mixture of about 70 per cent methane and 30 per cent carbon dioxide, with trace amounts of hydrogen sulfide. The methane is capable of being burned in generators to produce electricity.

The versatility of the biodigester may be one of its strongest assets. Feedstock for the device can essentially be any organic material, including manure, plant matter, seeds, grain, fat or a combination thereof.

"The objective of our pilot system has been to test different feedstock recipes and different operating conditions, such as temperature and retention times," Lung said.

"In essence, we have been able to go to a client and take what they would like to feed into a biodigester, test it for them and give them an idea on how much gas that they can get off of it."

Lung noted that a biodigester demonstration project is in operation in Cudworth, as a partnership between SaskPower, Clear-Green Environmental Inc. and the Cudworth Pork Investors Group.

The project converts hog manure into biogas to run four 30-kilowatt microturbines that are plugged right into the provincial distribution grid, generating enough electricity to power 30 to 40 homes. The waste heat produced by the microturbines is captured and used to heat the biodigester. The remaining solids from the biodigestion process are spread on surrounding fields as a compost-type organic fertilizer.

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Lung said this ability of the biodigester to interconnect well with other components in a broader operation has people thinking about some very promising opportunities.

"Discussions at the moment within both Alberta and Saskatchewan are with respect to eco-clusters. That's a cluster of your ethanol facility, your biogas facility and your biodigester facility, and they more or less feed off each other," she stated.

Looking into the future, the biodigestion process offers other intriguing potential that could some day be applied here in Canada.

"The biogas can be cleaned up and used as natural gas. It can be run through a hydrogen sulfide stripper and a carbon dioxide stripper, and put right into a natural gas grid. They're doing it in Europe," Lung said.

"The natural gas used in North America is generally 86 to 95 per cent methane, so we use it to heat homes, do our cooking and stuff like that. Biogas has that capability, as well. It's just not as concentrated, but it can be cleaned up to be that concentrated."

Experimentation with different feedstock has also opened the door to another possibility: energy from common household waste.

"PAMI's system is a liquid system. We can handle up to 12 per cent solids," Lung stated. "But there are designs which are being used in Europe to process everyday organic garbage to generate power. That's another opportunity for recycling potential. It's just a matter of it being economical to do it."

She added, "There's a lot of potential right now regarding any aspect of bio-energy: biodiesel, ethanol and biomass. The biodigester project focuses on biogas, and it is right along this same line of thinking. We've got a lot of exciting promise here."

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BRIGHT FUTURE OF BIO-ECONOMY TO BE FOCUS OF CONFERENCE

Delegates from throughout North America and around the world will converge on Saskatoon on October 16 and 17 to discuss emerging technologies, commercial success stories, issues and opportunities in the bio-based economy.

The conference, entitled "Bio-Logical Futures III," is being organized by Ag-West Bio Inc., the membership-based organization formed to lead and support the development of an economically viable life sciences cluster in Saskatchewan.

Registration has been strong, and well over 100 delegates from a wide variety of backgrounds are expected to attend, according to Ag-West Bio Communications Director Krista Dennis.

"We've held two Bio-Logical Futures conferences in the past, and when we didn't hold one in 2005, we started getting calls about when the next one would be," said Dennis.

"Now that we've built up the brand and image, people in the bio-economy are anticipating another great meeting."

The conference will feature 28 national and international experts in areas such as bio-energy, bio-materials, bio-lubricants, bio-based chemicals and co-products.

"The current focus on biofuels, such as biodiesel and ethanol, is a real highlight of this year's presentations," stated Dennis.

One of the most eagerly anticipated speakers on this front is Don O'Connor, the president of 2 Consultants Inc. and a mechanical engineer with over 30 years of experience in alternative energy development. He will share his unique experiences with the production of ethanol from biomass, as well his knowledge of the fuel industry at both the production and retail levels. O'Connor will take the podium with local speakers like Lionel LaBelle, president of the Saskatchewan Ethanol Development Council.

While many of the conference participants are directly involved in researching or manufacturing bio-products, Dennis says the session is also an excellent opportunity for producers and potential investors in the bio-economy.

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"Producers can learn a great deal about the opportunities and the new technologies that create new markets for their crops," Dennis noted. "Venture capital companies have the chance to meet and talk with entrepreneurs who are still in the start-up phase of their new companies and who are looking for financing."

The range of new applications for crops is astounding. The conference will hear from Dr. Satya Panigrahi from the University of Saskatchewan's Department of Agricultural and Bioresource Engineering. Panigrahi is the Saskatchewan Agriculture and Food Chair in Agricultural Material Utilization and Bioprocess Engineering. His remarks will focus on green technology for polymer industries, with specific focus on applications for flax fibre.

Another speaker in that vein is Andrew Guo of the Kansas Polymer Research Centre, who will showcase developments in the use of seed oil to replace petroleum as feedstock for high performance plastic materials.

Ag-West Bio serves over 90 members, including corporations, associations and individuals representing natural health products and functional foods, bio-products, bio-processes and agricultural biotechnology. Its mission, supported by funding from Saskatchewan Agriculture and Food, is to expedite the commercialization of value-added products by linking knowledge and investment with science and enterprise in the development of products that satisfy market needs.

Those interested in learning more about the Bio-Logical Futures III conference can obtain further information at www.biologicalfutures.ca, or by calling (306) 975-1939.

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